

State of California — Franchise Tax Board
California Disaster Relief Tax Provisions
Storm and Flood Damaged Locations — California, EL NIÑO 1998

FTB Pub. 1026-O
(REVISED 2-99)

Introduction

This publication outlines the procedures to take a disaster loss deduction for property damage or destruction resulting from storm and flood damage that occurred beginning on February 2, 1998. The following counties are affected:

Alameda	Mendocino	Santa Barbara
Amador	Merced	Santa Clara
Butte	Monterey	Santa Cruz
Calaveras	Napa	Solano
Colusa	Orange	Sonoma
Contra Costa	Riverside	Stanislaus
Del Norte	Sacramento	Sutter
Fresno	San Benito	Tehama
Glenn	San Bernardino	Trinity
Humboldt	San Diego	Tulare
Kern	San Francisco	Ventura
Lake	San Joaquin	Yolo
Los Angeles	San Luis Obispo	Yuba
Marin	San Mateo	

Deducting a loss.

A disaster loss is a casualty loss sustained as a result of a disaster which is not reimbursed by insurance or otherwise.

You may elect to deduct a disaster loss in the prior tax year (1997) if your damaged property is located in an area designated by the President of the United States to warrant assistance. The counties listed above are all designated areas.

You make an election to deduct the disaster loss in the prior year (1997) by completing and filing Form 540, California Resident Income Tax Return; Form 540X, Amended Individual Income Tax Return; Form 100, California Corporation Franchise or Income Tax Return; Form 100S, California S Corporation Franchise or Income Tax Return; or Form 100X, Amended Corporation Franchise or Income Tax Return by the dates shown under "When to claim your refund." Be sure to complete and attach federal Form 4684, Casualties and Thefts (using California amounts), a copy of federal Form 1040X (or Form 1120X) and any supporting schedules that verify your deduction.

If you do not elect to deduct the disaster loss in the prior year, you may deduct the disaster loss on your 1998 Form 540, Form 100 or Form 100S.

You must attach a statement to your Form 540, Form 540X, Form 100, Form 100S or Form 100X which includes the date of the disaster and the location (city and county) of the disaster.

To figure your disaster loss:

- For personal use property, complete federal Form 4684, Section A using California amounts.
- For property that is trade or business, income-producing or rent or royalty property, complete federal Form 4684, Section B using California amounts.

You may also need to use Schedule D-1, Sales of Business Property; and form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates and Trusts; or form FTB 3805Q, Net Operating Loss (NOL) Computation and NOL and disaster Loss Limitations — Corporations to report these losses.

Due to legislation enacted in 1998, you may carryover 100% of any excess disaster loss to future taxable years.

Speeding up your refund.

Print "EL NIÑO '98" in red ink at the top of Side 1 of your Form 540, Form 540X, Form 100, Form 100S or Form 100X.

When to claim your refund.

Personal income tax returns:

To elect to claim the loss in the prior year (1997):	To elect to claim the loss on your 1998 return:
File a return or amended return, on or before the later of: <ul style="list-style-type: none">• 10/15/98 — (The due date of the return, with extension, for the tax year preceding the loss); OR <ul style="list-style-type: none">• 10/15/99 — (The due date of the return, with extension, for tax year in which disaster occurred).	File your original 1998 return by October 15, 1999.

Corporation returns:

To elect to claim the loss in the prior income year:	To claim the loss in the income year in which the loss occurred:
File a return or amended return, on or before the later of: <ul style="list-style-type: none">• The 15th day of the tenth month after the close of the prior income year (1997); OR <ul style="list-style-type: none">• The 15th day of the tenth month after the close of the income year in which the loss occurred (1998).	File original 1998 return by the 15th day of the tenth month after the close of the 1998 income year.

(Continued on Side 2)

Replacing lost or damaged California tax returns.

You may replace lost or damaged California tax returns at no cost by completing form FTB 3516, Request for Copy of Tax Return and printing "DISASTER '98" at the top of the form. You may also write to:

ATTN RID UNIT
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0060

Ordering forms.

Internet: If you have Internet access, you may download, view and print California income tax forms and publications. Our Internet address is:

<http://www.ftb.ca.gov>

Phone: Call (800) 338-0505.

To order personal income tax forms, select personal income tax form request and enter the form code when instructed:

900 for California Resident Income Tax Booklet
937 for form FTB 3516 **909** for Schedule D-1
908 for Form 540X **926** for form FTB 3805V

To order corporate forms, select corporate income tax form request and enter the form code when instructed:

817 for Form 100 **816** for Form 100S
813 for Form 100X **807** for Form FTB 3805Q

Mailing your Form 540 or Form 540X.

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO, CA 94267-0001

Mailing your Form 100, Form 100S or Form 100X.

FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0501

Do you need more information?

In-Person Assistance. Franchise Tax Board representatives are available at our district offices shown below. Our offices are open Monday through Friday from 8 a.m. to 5 p.m.

Bakersfield 1800 30th Street Suite 370
Burbank 333 North Glenoaks Blvd Suite 200
Fresno 2550 Mariposa Street Rm 3002
Long Beach 4300 Long Beach Blvd Suite 700B
Los Angeles 300 S Spring Street Suite 5704
Oakland 1515 Clay Street Suite 305
Sacramento 3321 Power Inn Road Suite 250
San Bernardino 464 W 4th Street Suite 454
San Diego 5353 Mission Center Rd Suite 314
San Francisco 455 Golden Gate Ave Suite 7400
San Jose 96 North Third Street 4th Floor
Santa Ana 600 W Santa Ana Blvd Suite 300
Santa Rosa 50 D Street Rm 130
Stockton 31 East Channel Street Rm 219
Ventura 4820 McGrath Suite 270
West Covina 100 N Barranca Street Room 600

Telephone Assistance. Call our general toll-free phone service, which is available:

Between January 4 – April 15, 1999

- Monday – Friday, 6 a.m. until midnight; and
- Saturdays, 8 a.m. until 5 p.m.

After April 15, 1999

- Monday – Friday, 7 a.m. until 8 p.m.

The best times to call are before 10 a.m. and after 6 p.m.

Call within the United States (800) 852-5711

Call outside the United States
(not toll-free) (916) 845-6500

For federal tax questions,
call the IRS at (800) 829-1040

Asistencia Bilingüe en Español

Para obtener servicios en Español y asistencia para completar su declaración de impuestos/formularios, llame al número de teléfono (anotado arriba) que le corresponde.

Hearing impaired

Toll-free taxpayer service is provided for the hearing impaired with a Telecommunications Device (TDD). Call (800) 822-6268.